

**SADIE - TIGER BEND  
FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

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**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
AS OF AND FOR THE YEARS ENDED  
DECEMBER 31, 2014 AND 2013**



**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

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AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

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Accountant's Compilation Report

To the Board  
**Sadie - Tiger Bend Fire Protection District**  
Marion, Louisiana

We have compiled the accompanying financial statements of the governmental activities and the General Fund of the Sadie – Tiger Bend Fire Protection District (the District), a component unit of Union Parish Police Jury, as of December 31, 2014 and 2013 and for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 5. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information has been compiled by us without audit or review and accordingly, we do not express an opinion or provide any assurance on it.

Management has omitted the budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

We are not independent with respect to the District.

BOSCH & STATHAM, LLC

A handwritten signature in blue ink that reads 'Bosch &amp; Statham' in a cursive script.

Jonesboro, Louisiana  
June 16, 2015

**Required Supplemental Information (Part I)**  
**Management's Discussion and Analysis**

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

As Management of the Sadie - Tiger Bend Fire Protection District, we offer readers of the Sadie - Tiger Bend Fire Protection District's financial statements this narrative overview and analysis of the financial activities of the District as of December 31, 2014, and for the year then ended. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

***Government-wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the District are included in one category - governmental funds.

***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

*See accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Sadie - Tiger Bend Fire Protection District maintains one individual governmental fund. Information as of and for the year ended December 31, 2014, is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund.

The Sadie - Tiger Bend Fire Protection District adopts an annual appropriated budget for the General Fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-19 of this report.

Supplemental information

In addition to the basic financial statements and accompanying notes, in the future, this report will also present required supplemental information concerning the Sadie - Tiger Bend Fire Protection District's compliance with its budget for the General Fund.

**FINANCIAL HIGHLIGHTS**

**Government-wide:**

- The assets of the District exceeded its liabilities at December 31, 2014, by \$124,950, an increase of 12% from the previous year. This is because the District has not yet begun operating. At the time of this report, construction is under way on two fire stations that will be complete in 2015.
- Net investment in capital assets totaled \$10,799 for the year ended December 31, 2014, a decrease of \$1,371 from 2013.

At December 31, 2014, the District's governmental fund (General Fund) reported an ending fund balance of \$109,095, an increase of \$16,758. The entire balance is available for spending in accordance with the propositions approved by the voters of the District.

*See accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NET POSITION**

	<u><b>2014</b></u>	<u>2013</u>
Current and other assets	<b>\$ 114,068</b>	\$ 99,579
Capital assets, net	<b>10,799</b>	12,170
Other assets	<b>600</b>	-
Total assets	<u><b>125,467</b></u>	<u>111,749</u>
Liabilities:		
Accounts and other payables	<u><b>517</b></u>	<u>629</u>
Net position:		
Net investment in capital assets	<b>10,799</b>	12,170
Unrestricted	<b>114,151</b>	98,950
Total net position	<u><b>\$ 124,950</b></u>	<u>\$ 111,120</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent year, assets of the Sadie - Tiger Bend Fire Protection District exceeded liabilities by \$124,950.

The changes in net assets for the years ended December 31, 2014 and 2013, are summarized as follows:

	<u><b>2014</b></u>	<u>2013</u>
<b>Revenues:</b>		
<b>Program revenues:</b>		
Operating grants and contributions	<b>\$ 9,316</b>	\$ 9,415
<b>General revenues:</b>		
Ad valorem taxes	<b>15,210</b>	14,747
Parcel fees	<b>23,477</b>	25,500
Other taxes, penalties, and interest	<b>188</b>	179
Total revenues	<u><b>48,191</b></u>	<u>49,841</u>
<b>Program expenses:</b>		
Operating services	<b>32,301</b>	2,023
Materials and supplies	<b>1,543</b>	-
Travel and other	<b>-</b>	700
Intergovernmental	<b>517</b>	629
Total expenses	<u><b>34,361</b></u>	<u>3,352</u>
Increase (decrease) in net position	<u><b>\$ 13,830</b></u>	<u>\$ 46,489</u>

*See accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Governmental activities

The most significant revenues of the governmental activities are general revenues (81%), which include ad valorem taxes (30%) and parcel fees (51%). Program revenues (fire insurance rebate) are 19% of the total revenues of governmental activities.

The District's expenses in 2014 and 2013 are minor due to the fact that the District is not fully operational as of December 31, 2014. Two fire stations are under construction. Construction is being financed by an LCDBG grant through the Union Parish Police Jury.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Governmental funds

The District's governmental fund (General Fund) fund balance of \$109,095 increased by \$16,758 from December 31, 2013.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The district did not adopt a budget for the year ended December 31, 2014.

**CAPITAL ASSETS**

Sadie-Tiger Bend Fire Protection District's investment in capital assets for its governmental activities as of December 31, 2014, is \$10,799 (net of accumulated depreciation). This investment includes two fire trucks and ground work for the new buildings.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The District has plans to complete construction of two fire stations and begin operations during 2015. The construction is being financed by an LCDBG grant passed through the police jury.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Sadie - Tiger Bend Fire Protection District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the District's Board at P.O. Box 581, Marion, Louisiana 71260.

*See accountant's compilation report.*

## **Basic Financial Statements**

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**STATEMENTS OF NET POSITION  
AS OF DECEMBER 31, 2014 AND 2013**

<b>ASSETS</b>	<b>2014</b>	<b>2013</b>
Cash and cash equivalents	<b>\$ 78,146</b>	\$ 65,606
Receivables	<b>35,922</b>	33,973
Capital assets, net of accumulated depreciation	<b>10,799</b>	12,170
Other assets	<b>600</b>	-
<b>TOTAL ASSETS</b>	<b><u>125,467</u></b>	<u>111,749</u>
<b>LIABILITIES</b>		
Accounts, salaries and other payables	<b><u>517</u></b>	<u>629</u>
<b>TOTAL LIABILITIES</b>	<b><u>517</u></b>	<u>629</u>
<b>NET POSITION</b>		
Net investment in capital assets	<b>10,799</b>	12,170
Unrestricted	<b><u>114,151</u></b>	<u>98,950</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 124,950</u></b>	<b><u>\$ 111,120</u></b>

*See accompanying notes and accountant's compilation report.*

SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Public Safety	\$ 34,361	\$ -	\$ 9,316	\$ (25,045)
General revenues:				
Property taxes levied for:				
Public Safety				15,210
Parcel fees levied for:				
Public Safety				23,477
Other taxes, penalties and interest				188
Total general revenues				38,875
Change in net assets				13,830
Net assets at beginning of year				111,120
Net assets at end of year				\$ 124,950

*See accompanying notes and accountant's compilation report.*

SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Culture and recreation	\$ 3,352	\$ -	\$ 9,415	\$ 6,063
General revenues:				
Property taxes levied for:				
Public safety				14,747
Parcel fees levied for:				
Public safety				25,500
Other taxes, penalties and interest				179
Total general revenues				40,426
Change in net assets				46,489
Net assets at beginning of year				64,631
Net assets at end of year				\$ 111,120

*See accompanying notes and accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**GOVERNMENTAL FUND - GENERAL FUND - BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013**

<b>ASSETS</b>	<b>2014</b>	<b>2013</b>
Cash and cash equivalents	\$ 78,146	\$ 65,606
Receivables	35,922	33,973
Other assets	600	-
Total assets	<u>\$ 114,668</u>	<u>\$ 99,579</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY</b>		
Liabilities:		
Accounts payable	<u>\$ 517</u>	<u>\$ 629</u>
Deferred inflows of resources:		
Ad valorem taxes unavailable at year-end	<u>5,056</u>	<u>6,613</u>
Total deferred inflows of resources	<u>5,056</u>	<u>6,613</u>
Fund equity - fund balances:		
Nonspendable	600	-
Restricted	<u>109,095</u>	<u>92,337</u>
Total fund equity - fund balances	<u>109,095</u>	<u>92,337</u>
Total liabilities, deferred inflows, and fund equity	<u>\$ 114,668</u>	<u>\$ 99,579</u>

*See accompanying notes and accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**STATEMENTS OF GOVERNMENTAL REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<b>2014</b>	2013
Revenues:		
Taxes:		
Ad valorem taxes	\$ 15,741	\$ 14,669
Parcel Fees	24,503	26,274
Other taxes, penalties, and interest	188	179
Intergovernmental funds:		
State funds:		
Fire insurance rebate	9,316	9,415
Total revenues	<u>49,748</u>	<u>50,537</u>
Expenditures:		
Current:		
Public safety:		
Operating Services	30,930	2,023
Materials and supplies	1,543	-
Intergovernmental	517	629
Capital outlay	-	10,070
Total expenditures	<u>32,990</u>	<u>12,722</u>
Net change in fund balances	16,758	37,815
Fund balance at beginning of year	92,337	54,522
Fund balance at end of year	<u>\$ 109,095</u>	<u>\$ 92,337</u>

*See accompanying notes and accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**Introduction**

The Sadie - Tiger Bend Fire Protection District was established by the Union Parish Police Jury on May 4, 2010, as authorized by Louisiana Revised Statute 40:1492. The District is governed by a five member board which serves without compensation. The District is responsible for maintaining and operation fire stations and equipment and providing fire protection within the boundaries of the District. The District has no employees.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Sadie - Tiger Bend Fire Protection District (District) have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The basic financial statements present the financial position and results of operations of the various funds of the District as of and for the year ended December 31, 2014.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Union Parish Police Jury is the financial reporting entity for Union Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As required by GASB Statement No. 61, *The Financial Reporting entity: Omnibus an amendment of GASB Statement No. 14 and No. 34*, a legally separate entity is considered a component unit of the Union parish Police Jury, the reporting entity for Union parish, if at least one of the following criteria is met:

1. The police jury appoints a voting majority of an organization's governing body, and is either able to impose it's will on the organization or there is a potential financial benefit/burden to the police jury.
2. The entity is fiscally dependent on the police jury and there is a potential financial benefit/burden to the police jury.
3. The nature and significance of the relationship between the police jury and the entity is such that exclusion would cause the financial statements of the police jury to be misleading.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Depending on the closeness of their relationship with the police jury, some component units are blended with the parish reporting entity, while others are discretely reported.

The District is a blended component unit of the police jury.

**B. BASIS OF PRESENTATION**

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the District. The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the basic financial statements.

The government-wide statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and parcel fees are assessed, collected and susceptible to accrual. Assets, deferred outflows, liabilities, deferred inflows, revenues and expenses of the government are reported in the financial statements.

All capital (long-lived) assets, receivables, and long-term obligations are reported in the statement of net position. The statement of activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the District. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated by the function. In the statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants and capital grants. Direct and indirect expenses are reported as program expenses for individual funds functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are grants which currently consist of the fire insurance rebate. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The fund financial statements report the District as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds. At this time, the District has only a governmental fund, the General Fund.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances with one column for the General Fund. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 60 days after the end of the fiscal year, except for federal grants, which generally are considered available for 12 months after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities, which are recognized when due.

**Major Funds**

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the corresponding element total for all governmental and enterprise funds combined. At this time, the District has only a General Fund.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of notes to the basic financial statements.

**Governmental Funds**

The General Fund is the principal operating fund of the District. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues include ad valorem taxes and parcel fees.

**C. ASSETS, LIABILITIES, DEFERED INFLOWS, DEFERRED OUTFLOWS, AND NET POSITION, EQUITY, OR NET FUND BALANCES**

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental activities column of the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets. Since surplus assets are sold for an immaterial amount when declared as no longer needed for their intended purposes by the District, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	15 Years
Building improvements	15 Years
Vehicles	5 Years
Furniture and equipment	3 - 15 Years

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense or expenditure) until then. The District has no items that qualify for reporting in this category.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Ad valorem taxes collected past February of the subsequent year are classified as deferred inflows.

**Fund Balance Classifications and Net Position**

In accordance with Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Sadie – Tiger Bend Fire Protection District classifies governmental fund balances as follows:

Nonspendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Fund balance may be committed by the District Board.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the District Board.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The District has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, and unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the general policy of the District is to use committed resources first, followed by assigned, and then unassigned. The use of restricted/committed resources may be deferred based on a review of the specific transaction.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net position represents the difference between all other elements in a statement of financial position (i.e. assets, deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position). Net position is segregated into three categories on the government-wide statement of net position: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes other debt attributable to the acquisition, construction, or improvement of such assets. Restricted net position represents the portion of net position that consists of restricted assets reduced by liabilities and deferred inflows related to those assets. The District first uses restricted assets for expenses incurred when both restricted and unrestricted net position is available for use. The use of restricted assets may be deferred based on a review of the specific transaction.

**D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The following are reconciliations of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting.

	<u>2014</u>	<u>2013</u>
Fund balance	\$ 109,095	\$ 92,337
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources	10,799	12,170
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	<u>5,056</u>	<u>6,613</u>
Net assets of governmental activities	<u><u>\$ 124,950</u></u>	<u><u>\$ 111,120</u></u>

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

	<u>2014</u>	<u>2013</u>
Net change in fund balance	<u>\$ 16,758</u>	<u>\$ 37,815</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	<u>(1,371)</u>	9,370
Revenues that do not provide current financial resources are deferred in the funds, but are recognized on the statement of activities. This is the amount by which the current-year deferred revenue is less than the prior-year deferred revenue as reported on the governmental fund balance sheets.	<u>(1,557)</u>	<u>(696)</u>
Change in net assets of governmental activities	<u><u>\$ 13,830</u></u>	<u><u>\$ 46,489</u></u>

**E. BUDGETS AND BUDGETARY ACCOUNTING**

The Louisiana Local Government Budget Act requires that the District adopt a budget for its General Fund on or before December 31<sup>st</sup> prior to the applicable fiscal year. If actual revenues and other sources, expenditures and other uses, or estimated beginning fund balances vary unfavorably more than five percent from budgeted amounts, the District is required to amend the budget.

**F. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - DEPOSITS**

Bank accounts and short-term investments, such as nonnegotiable certificates of deposit and money market accounts, are included as deposits. The District has not formally adopted deposit and investment policies that limit the District's allowable deposits or investments and address risks.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage (FDIC). Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2014 or 2013.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 2 – DEPOSITS (CONTINUED)**

Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2014 and 2013, the District had cash and cash equivalents (book balances in demand deposits) totaling \$78,146 and \$65,606, respectively.

These deposits are stated at cost, which approximates market. Cash and cash equivalents (bank balances) at December 31, 2014 and 2013, were \$78,146 and \$65,606, respectively. These deposits were fully insured by FDIC.

**NOTE 3 – ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE**

Balances of receivables and payables have been aggregated for presentation in the accompanying financial statements. The following schedules provide additional detail concerning balances of receivables and payables by category.

Receivable balances at December 31, 2014 and 2013, are as follows:

	<u>2014</u>	<u>2013</u>
Ad valorem taxes	\$ 13,797	\$ 12,598
Parcel fees	<u>22,125</u>	<u>21,375</u>
Total	<u>\$ 35,922</u>	<u>\$ 33,973</u>

At December 31, 2014 and 2013, \$517 and \$629, respectively, was due for pension contributions required to be deducted from ad valorem tax collections.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

**NOTE 4 - CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets for the years ended December 31, 2014 and 2013, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>As of December 31, 2014:</b>				
Capital assets not being depreciated:				
Construction in progress	\$ 10,070	\$ -	\$ (10,070)	-
Capital assets being depreciated:				
Land improvements	-	10,070	-	10,070
Vehicles	3,500	-	-	3,500
Total capital assets being depreciated	3,500	10,070	-	13,570
Less accumulated depreciation:				
Land improvements	-	(671)	-	(671)
Vehicles	(1,400)	(700)	-	(2,100)
Total accumulated depreciation	(1,400)	(1,371)	-	(2,771)
Net capital assets	\$ 12,170	\$ 8,699	\$ (10,070)	\$ 10,799
<b>As of December 31, 2013:</b>				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 10,070	\$ -	10,070
Capital assets being depreciated:				
Vehicles	3,500	-	-	3,500
Less accumulated depreciation:				
Vehicles	(700)	(700)	-	(1,400)
Total accumulated depreciation	(700)	(700)	-	(1,400)
Net capital assets	\$ 2,800	\$ 9,370	\$ -	\$ 12,170

**NOTE 5 - LEVIED TAXES**

Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages.

*See accountant's compilation report.*

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**NOTE 5 - LEVIED TAXES (CONTINUED)**

The ad valorem tax millage authorized and levied by the District was 10.00 for the years ended December 31, 2014 and 2013. Any difference between authorized and levied millages is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

For the year ended December 31, 2014, the assessed value of Plum Creek Southern Timber, LLC's property was approximately ten percent of total assessed value. Tax revenue from Plum Creek Southern Timber, LLC's property was approximately sixteen percent of the District's total ad valorem tax revenue.

The District also collects parcel fees from property owners within the District.

**NOTE 6 – LEASE AGREEMENTS**

During 2011 and 2012, the District entered into two lease agreements with landowners whereby the landowners agreed to lease certain portions of land to the District for \$1 a year for as long as the land is used for the operation of fire stations. The District began construction on the stations during 2014. Construction is being financed by an LCDBG grant through the Union Parish Police Jury.

**NOTE 7 - RISK MANAGEMENT**

Currently, the District has no buildings and is not operating its two fire trucks. Once operational, the District will be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the District will maintain a commercial insurance policy covering property and general liability.

**NOTE 8 - CONTINGENCIES**

At December 31, 2014, the Sadie - Tiger Bend Fire Protection District is not involved in any litigation.

**NOTE 9 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 16, 2015, the date on which the financial statements were available to be issued.

*See accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**SCHEDULE OF FINDINGS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014**

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We did not perform an audit or review of the District's financial statements as of and for the year ended December 31, 2014. However, while performing our compilation procedures as required by the Louisiana Governmental Audit Guide, we noted the following matter that must be communicated to management of the District.

This communication is intended solely for the information and use of the Board, federal awarding agencies, pass-through entities, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the use of this reports may be limited, under Louisiana Revised Statute 24:513, it is issued by the Louisiana Legislative Auditor as a public document.

**2014-1 Failure to Comply with the Louisiana Local Government Budget Act**

**Condition**

The District did not adopt a budget for its General Fund for the year ended December 31, 2014.

**Criteria**

The Budget Act requires the District to adopt a budget for its General Fund.

**Cause**

Unknown

**Effect**

The District has not complied with the Budget Act and therefore cannot present a budgetary comparison statement in its financial statements as required by the Government Accounting Standards Board. However, as the District has not yet started operating, expenditures were minor.

**Recommendation**

We recommend that the Board ensure that it complies with all aspects of the Budget Act and that it demonstrates proper exercise of its oversight responsibilities.

**Management's Response**

We will implement the auditor's recommendation.

*See accountant's compilation report.*

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT  
MARION, LOUISIANA**

**STATUS OF PRIOR FINDINGS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014**

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<b>Finding No.</b>	<b>Initial Year</b>	<b>Description</b>	<b>Status</b>
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No findings were reported for 2013.

*See accountant's compilation report.*